



LIQUOR CONTROL DIVISION

Frequently Asked Questions

Liquor Store Agents

Q. As a Liquor Store Agent, how many hours a day am I required to be open?

A. You are required to be open a minimum of six hours a day. Those hours must be between 8 a.m. and 2 a.m. (MCA 16-2-104)

Q. As a Liquor Store Agent, what days am I required to be open?

A. You are required to be open Tuesday through Saturday. You must be closed on Sundays, Mondays, and all legal holidays. However, you may be open on Mondays that are not legal holidays if 51% of the all-beverage licensees in your immediate market area sign a petition agreeing that agency liquor stores located within the immediate market area may be open on Mondays. The petition must be on a form prescribed by the department. The department will verify the validity of the signatures on the petition. If the department determines that the petition contains sufficient and valid signatures, all agency liquor stores within the market area are allowed to transact business on Mondays that are not legal holidays. If a holiday falls on Sunday and you are authorized to be open on Mondays that are not holidays, you may be open on Monday. However, the liquor warehouse will observe the holiday on Monday and not be open. (MCA 16-2-104)

The petition form is online at: <http://revenue.mt.gov/home/liquor/forms>

Q. Do I have to place an order every week?

A. No. You can order every other week or according to your needs. We request that if you are not placing an order on a particular week, you notify our office to reduce any confusion.

Q. What is the minimum amount of cases that I can order?

A. To be cost effective, the minimum amount of cases that you may order is four cases. This can be a combination of full cases and repack units.

Q. Can I order products in less than full case lots?

A. Yes. The department offers approximately 600 products that can be ordered in less than full case lots. Refer to the current quarterly price book to confirm which products can be ordered by the bottle. The maximum number of bottles you can order of these items is dependent upon the number of bottles in the case. The following schedule lists the applicable repack quantity:

Units per case

Max Repack Quantity

3 pack case	1 bottle
6 pack case	2 bottles
12 pack case	3 bottles
24 pack case	6 bottles
48 pack case	12 bottles
50ml	as listed in price book
Holiday Items	as listed on holiday order form

Q. [Can I obtain liquor to sell in my store directly from a distillery?](#)

A. Beginning January 1, 2016, a distillery that produces less than 25,000 gallons of liquor annually may deliver product directly to agency liquor stores. A distillery can only deliver product in full case lots. You can request the product from the department on your normal weekly order form and receive it on your regular scheduled delivery date or you can contact the distillery directly. Keep in mind that it is at each distillery's discretion as to how far they will deliver from their licensed premises. Distilleries will report to the department deliveries made to agency liquor stores. Agency liquor stores will be invoiced by the department for product received from a distillery. (MCA 16-4-311(3)(a))

Q. [Am I able to view my store information online?](#)

A. Yes. Taxpayer Access Point (TAP) allows you to view specific information about your agency liquor store account online. To begin using TAP, register by going to <https://tap.dor.mt.gov/#1>. Once registered, you can view, modify and place your weekly orders. You can also submit monthly RLD summary reports and view account status, liquor orders and invoices. TAP is available 24/7 for your convenience.

Q. [If I want to sell my store, what is the process?](#)

A. If you are considering selling your store, you need to contact the Liquor Control Division's Agency Liquor Store Specialist 60 days prior to the intended effective date of the sale. The procedure involves an application process and approval of the buyer to ensure they are qualified to become an agent. Upon approval, the actual date of the sale and date of the assignment of the Agency Franchise Agreement will be agreed upon and the parties will determine which party is responsible for the store's outstanding payments that are owed to the department. (MCA 16-2-101(10))

Q. [Can I relocate my store?](#)

A. Yes. If you are considering relocating your store, you will need to notify the Liquor Control Division's Agency Liquor Store Specialist for approval 60 days before the intended date of relocation for approval. The process involves reviewing the plat plan, floor plan and shelving layout for the new proposed location. In addition, you

will need to send a written request stating your reason for the relocation. (MCA 16-2-101(5)(d))

Q. [Where can an agency liquor store be located?](#)

A. Agency stores located in communities with a population greater than 3,000 may not be located in or adjacent to a grocery store. Agency stores located in communities with a population of less than 3,000 may be located in a grocery store. Stores in communities with more than one agency liquor store must be at least one mile apart. (MCA 16-2-101)

Q. [Can we sample liquors in an agency liquor store if they were provided by a Montana liquor representative?](#)

A. No. Alcoholic beverage containers cannot be opened and alcoholic beverages cannot be consumed on the premises of an agency liquor store. This includes samples from a Montana liquor representative. The representative may leave you a sample bottle for you to taste off-premises. (MCA 16-2-107)

Q. [Can I reduce the price on a product in my store that is not selling very well?](#)

A. You may not sell regular listed products for less than the state's posted price as listed in the current quarterly price book. Special order products must be sold at the price listed in the special order section of the current quarterly price book or the price you were invoiced if the invoice is more recent than the printing of the quarterly price book. If a product (regular list or special order) has been discontinued and is no longer offered by the state liquor warehouse, you may sell it for whatever price you wish. (MCA 16-2-201)

Q. [What can I sell in my store besides liquor?](#)

A. You can sell anything you wish in your agency liquor store except beer, which includes malt-based wine coolers. As an agent, you may sell table wine and hard cider that is purchased from a table wine distributor. (MCA 16-4-401)

Q. [Why are some agency liquor stores able to sell beer?](#)

A. Agency liquor stores that established a retail beer license prior to 1994 have a grandfather clause in law that allows them to sell beer and malt-based wine coolers.

Q. [What is my liquor license number?](#)

A. You do not have a liquor license number and are not a licensee. You operate your store under a contract with the Department of Revenue. The contract is called an Agency Franchise Agreement. (MCA 16-2-101)

Q. [What do I do if I receive product broken in transit or broken by the truck driver during delivery?](#)

A. You will fill out an Application for Credit Form using the Code 914 identifying the request is for truck breakage. Make sure to note the damage on the bill of lading and have the truck driver sign it. Send the Application for Credit Form and bill of lading, including the truck driver's signature, to our office for processing as the truck breakage occurs.

Q. [How often should I send in a credit request for defective merchandise?](#)

A. Send requests for credit of defective merchandise by the 15th of each month. Do not accumulate defective merchandise for a longer period of time. If you are requesting credit on a product you purchased more than six months ago, the credit request will be denied.

The Defective Merchandise form is online at:
<http://revenue.mt.gov/home/liquor/forms>

Q. [Can I request credit for a product ordered during the month while it was on sale but was unable to receive it because the warehouse was out of stock?](#)

A. Yes. Continue to reorder the out of stock sale item. Once you receive it, complete a Credit Form for Out of Stock Sale items. Send this form to our office and a credit will be issued for the difference between the sale price and regular price.

The Out of Stock Sale item form is online at:
<http://revenue.mt.gov/home/liquor/forms>

Q. [Is the price I am charged based on my pick date or my invoice date?](#)

A. The price you are charged is based on the price of the product on your pick date.

Q. [If I receive a product on my truck delivery I do not want, can I leave it on the truck and send it back to the warehouse with the truck driver?](#)

A. No. You will have to receive the product into your store and contact the agency liquor store specialist. Paperwork will be prepared authorizing the product to be picked up by the truck driver on your next delivery and brought back to the warehouse. Once received at the warehouse, a credit will be issued. If you elect to keep the product and were not invoiced, an adjustment will be made to your account.

Q. [Can I purchase liquor from another agency liquor store?](#)

A. Yes. You may purchase liquor from another agency liquor store in limited quantities (50 cases per year). This is beneficial for stores that want to try new products without having to purchase a full case. An agent purchasing product from another agency store pays the posted price.

Q. [Can I have a drive-up window in my liquor store?](#)

A. No. Selling alcohol through a drive-up window is prohibited.

Q. Can I send liquor or wine to a customer via mail, UPS or FedEx?

A. No. You cannot send liquor or wine to a customer that resides in the state of Montana. Montana law prohibits it. The legality of sending liquor or wine to a customer out of the state of Montana lies with the laws of the receiving state.

Q. As an agent, am I required to take the responsible alcohol server class?

A. No. Only licensees and their employees are required by law to be trained, as stated in MCA 16-4-1002. Liquor stores are not required to be trained in alcohol sales and service. However, the department strongly encourages you and your employees be trained as well.

Q. How often are the commission rates reviewed?

A. The 2015 Legislature passed SB193 which, effective February 1, 2016, eliminates the three existing discount rates provided to agency liquor stores and creates one commission rate. The revised commission rate structure takes effect on February 1, 2016 and will be implemented over the course of three years. On February 1, 2016, each agency liquor store's commission rate will be adjusted by taking the agency liquor store's combined commission rate on December 31, 2015, plus 1/3 of the difference between the agency liquor store's commission rate as determined in the chart below and the agency liquor store's combined commission rate on December 31, 2015. On February 1, 2017, each agency liquor store's commission rate will be adjusted by taking the agency liquor store's combined commission rate on December 31, 2015, plus 2/3 of the difference between the agency liquor store's commission rate as determined in the chart below and the agency liquor store's combined commission rate on December 31, 2015. Commission rates will be reviewed annually. The commission discount rate will be effective February 1 through January 31. On February 1, 2018, the annual commission discount rates range used will be from 12.15% to 16.00%. The annual commission discount rate is based on the total posted price of liquor purchased in the previous calendar year. (MCA 16-2-101)

Commission rates will be determined based on the following chart and the purchases range will be adjusted annually using the consumer price index:

Commission Rate	Prior Calendar Year Liquor Purchases	
16.00%	\$0.00	\$250,000.00
15.50%	\$250,000.01	\$500,000.00
15.00%	\$500,000.01	\$720,000.00
14.50%	\$720,000.01	\$950,000.00
14.00%	\$950,000.01	\$1,525,000.00
13.50%	\$1,525,000.01	\$1,850,000.00
13.00%	\$1,850,000.01	\$2,250,000.00
12.75%	\$2,250,000.01	\$3,250,000.00
12.50%	\$3,250,000.01	\$7,000,000.00
12.15%	\$7,000,000.01	+

Q. [May I sell alcohol to an intoxicated person?](#)

A. No. As stated in MCA 16-3-301, it is unlawful to directly or indirectly sell, give or otherwise supply or allow to be sold, given or supplied an alcoholic beverage to any person under age 21 or any person apparently, or obviously intoxicated.

Q. [Can I store liquor at another location off the premises of the agency store?](#)

A. No. All liquor must be kept on the approved premises of the agency store. (MCA 16-2-101 and 16-2-105)

Q. [Can I let a bar or individual take a bottle of liquor and pay for it later?](#)

A. No. Credit may not be extended to a customer for the purchase of liquor. This applies to all customers including all-beverage licensees. All purchases must be paid for on a cash basis upon delivery. The methods of payment are cash, check, or credit card. (MCA 16-2-203)

Q. [Can I accept credit cards as a form of payment from walk-in customers and from licensees?](#)

A. Yes. Payment in the form of a credit card is considered a cash basis.

Q. [Can I charge a fee to a customer that uses a credit card for payment of liquor products?](#)

A. No. You may not charge a fee for credit card purchases.

You cannot charge the customer a fee if they use a credit card to pay for their purchases. You cannot charge a licensee more than the state's posted price. The posted price is a specific amount, set by statute and by the department to make sales of alcohol from the agency liquor store to the licensee very specific and equal for all purchasing licensees. The posted price does not include an option to add on additional fees. By adding a credit card fee, you would be selling product for more than the state's posted price. (MCA 16-1-106(18) and 16-2-203)

Q. [Can I deliver liquor to my customers?](#)

A. Yes. You may deliver to your customers. Payment must be received at the time of delivery. (MCA 16-2-106)

Q. [Can I charge a delivery fee?](#)

A. No. The posted price does not include an option to add on additional fees. By adding a delivery fee, you would be selling product for more than the state's posted price. (MCA 16-1-106(18) and 16-2-203)

Q. [Can I give liquor away as a donation?](#)

No. You are not allowed to give liquor away. You may, however, personally purchase it and then donate it so it is from you on behalf of your store. (MCA 16-1-106(18) and 16-2-201)

Q. [How old does someone need to be to work in an agency liquor store?](#)

A. Eighteen years old to conduct sales. An agent may not permit a person under the age of 18 (a minor) to perform any of the duties of an agent. A minor is not allowed to participate in the transaction of sales, but a minor can stock shelves and perform other similar duties. (MCA 39-2-306)

Q. [Can I accept returns of liquor from a customer?](#)

A. No. The return of liquor products is unlawful, other than those considered to be "ordinary and usual commercial reasons" as defined in the federal code. In short, you can only accept a return if you accidentally sold the wrong product to a customer, if the customer accidentally purchased the wrong product, or if the product is believed to be defective. If a bar terminates business, you may accept the product.

Products may not be returned due to the product being slow moving, overstocked or a seasonal product. You may not accept a return from a customer that has purchased too much. (CFR Title 27, Chapter 1, part 11, subpart D)

Q. [When is my payment for liquor purchases due to the department?](#)

A. You must make payment for liquor purchased from the state liquor warehouse within 60 days of the invoice date. This means your payment must be received by the department on or before the due date. The department has the right to stop delivery of purchases from the state liquor warehouse for any failure to timely make payments. (MCA 16-2-101)

Q. [Can I make partial payments for liquor purchases to the department?](#)

A. Yes. You may make partial payments for your liquor purchases, but the total amount of the invoice must be paid in full within 60 days of the invoice date. (MCA 16-2-101)

Q. Can I pay the department for an invoice as soon as I receive it?

A. Yes. You can make a payment for liquor purchases before it is due. To do so, contact the Liquor Control Division accountant (406-444-2909) to request a payment coupon to submit with your payment, or you can make the payment on Taxpayer Access Point (TAP). TAP is a secure and easy way of managing your liquor account. You may register online to use TAP at: <https://tap.dor.mt.gov/#1>

Q. Can I pay the department with a credit card?

A. Yes. You can pay for your liquor purchases with your credit card by registering on Taxpayer Access Point (TAP). Fees will apply. You may also pay for your liquor purchases on TAP at no charge using your banking information. TAP is a secure and easy way of managing your liquor account. You may register online to use TAP at: <https://tap.dor.mt.gov/#1>

Q. Do I need to report my sales to licensees to the department?

A. Yes. By the fifth working day following the end of the previous month, an agent must report the total dollar amount and case lot discounts of full-case sales and individual bottle sales to each all-beverage licensee on a form provided or approved by the Department of Revenue. (MCA 16-2-103)

Q. How much liquor may a consumer purchase for off-premises consumption from a Montana micro distillery?

A. A micro distillery can sell up to 1.75 liters a day to an individual and is required to sell at least at the minimum price as determined by the department. (MCA 16-4-312)

Q. Can an agency store stock purchased alcohol on the shelves of a licensee upon delivery when ownership changes hands? Would the department view the stocking of shelves as taking control of the alcohol by the agency store after ownership has changed hands? Or, would the department view the stocking of shelves by an agency store in a licensee's location as selling below posted price because the agency store is covering a cost that should be incurred by the licensee for stocking the shelves?

A. Yes. An agent of an agency liquor store can stock the shelves of a licensee when the agent makes the delivery to the licensee. This is according to Title 27, section 6.99 of the Code of Federal Regulations: "Industry members may at a retail establishment, stock, rotate and affix the price to distilled spirits, wine, or malt beverages which they sell, provided products of other industry members are not altered or disturbed."

Q. If an agency store sells alcohol to Licensee A and Licensee B, and then Licensee A runs out of a certain brand of alcohol for which Licensee B still has some in stock, can the agency store move the alcohol from Licensee B to Licensee A to ensure that Licensee A still has that certain brand of alcohol in stock? Or, for another twist, can Licensee A be provided the alcohol from Licensee B and then the agency store give Licensee B a credit? The vast majority of the agency stores do not believe you can transfer alcohol from one licensee to another, but we just want to make sure.

A. No. An agent may not move liquor from one licensee to another licensee. This is according to MCA 16-6-303: "It is unlawful for any licensee to sell or keep for sale or have on the licensee's premises for any purpose whatever any liquor except that purchased from an agency liquor store..."